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Eastern District of California

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TAX PREPARER ARRESTED ON TAX DAY FOR EVADING TAXES

FRESNO, Calif. – Acting United States Attorney Lawrence G. Brown and Scott O'Briant, Special Agent-in-Charge, Internal Revenue Service – Criminal Investigation, announced today that ARTHUR BURNETT LAWSON, 65, of Bakersfield, Calif., was arrested today on a federal arrest warrant stemming from a four-count tax evasion indictment returned by a federal grand jury sitting in Fresno on April 2, 2009. LAWSON is scheduled to make his initial appearance in U.S. District Court in Fresno tomorrow.

This case is the result of an investigation by the Internal Revenue Service, Criminal Investigation.

According Assistant United States Attorney Marlon Cobar, who is prosecuting the case, LAWSON prepared and signed false and fraudulent U.S. income tax returns for himself for the 2002 and 2003 tax years. In his 2002 return, for instance, LAWSON stated that his taxable income was \$0 and reported no tax due and owing. Likewise, he fraudulently signed and prepared false 2002 and 2003 U.S. income tax returns for his wife, claiming in 2003 that his wife's income was \$0 and that she was entitled to the Earned Income Credit, which is a federal income tax credit for low income working individuals and families.

In all counts, the indictment charges that LAWSON knew that his and his wife's taxable income for 2002 and 2003 was substantially in excess of what he reported and that substantial additional taxes were due. In all, he evaded payment of at least \$60,000 in federal income taxes.

According to court documents, LAWSON, a registered tax preparer with the State of California, owned a tax preparation, financial consulting and audit representation business in Bakersfield known as "Income Tax, etc."

Stated Acting United States Attorney Brown, "It is crucial that those entrusted to guide the community in the accurate preparation of income taxes are beyond reproach in complying with the tax laws themselves. This case is yet another example of the vigorous criminal tax enforcement our office is undertaking in close partnership with IRS-Criminal Investigation."

The penalties for each count of tax evasion charged in the indictment are five years in prison and a \$100,000 fine. However, the actual sentence will be imposed at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables and any applicable statutory sentencing factors. The charges are only allegations and the defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

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